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CONSUMER RATIONING IN GREAT BRITAIN

INTRODUCTORY[1]

THE problem reviewed in this article is restricted to organized compulsory systems for ensuring the regular distribution of specified quantities of commodities or groups of commodities to consumers. Systems of rationing goods to producers or traders or of determining priorities or allocations to them are not considered, even though they result in shortages to consumers. Nor is attention directed to voluntary schemes of rationing introduced to meet shortages by retailers who may decide to sell the commodities concerned only to their regular customers or to allow each customer only a small amount of the commodity. Voluntary methods may be adequate for dealing with shortages of less essential goods or with temporary shortages of necessaries, but are not effective for meeting continuing shortages of necessaries. Such systems are distinct from that of consumer rationing, and would require separate review, which in dealing with Great Britain would be concerned with Limitation of Supplies Orders by which traders receive only a fraction of their peace-time supplies, and with the consequences of such Orders.

Consumer rationing has its greatest value where supplies of necessaries are short and are yet available in sufficient quantity to give each consumer a reasonable amount if supplies are equitably distributed. Until rationing is introduced shortages result in rush to buy supplies so that the shortage is aggravated. Some purchasers who have time and money go round from shop to shop buying such quantities as they can obtain to build up a private stock, and thus deprive others of their fair share of the limited supply. Queues are formed outside the shops and much annoyance and uneasiness results. These and other difficulties are avoided when rationing is introduced, and the psychology of the public towards the shortage is improved.

It must be emphasized that consumer rationing is specially suitable for dealing with shortages of necessaries for which there is no acceptable substitute. In Great Britain, consumer rationing has been reserved almost entirely for such commodities. For some other commodities there are often still greater shortages or even complete lack of supplies and yet rationing has not been adopted because the commodities concerned are

[1]The main sources used in this article are: Board of Trade, *Report of the Food (Defence Plans) Department for the year ended 31 December 1937;* Ministry of Food, *Rationing Order, Dated 27 December, 1939;* Board of Trade, *Explanatory Notes for Traders, Limitation of Supplies (Clothing and Apparal) Order, 1941,* and the *Consumer Rationing Order, 1941.* See also Sir William Beveridge, *British Food Control* (London, 1928), for a survey of food control during the last war.

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either not necessaries or have reasonable substitutes. Thus during 1941 supplies of bananas, oranges, lemons, grapefruit, ginger, olive oil, etc., were extremely small, and yet they were not rationed to consumers, except that in certain months such supplies of oranges as were available were reserved mainly for children under six years of age. If these commodities had been considered to be necessaries the government could have imported additional supplies and would have introduced rationing. There were also severe shortages of various metal goods (pans, kettles, buckets, cutlery, etc.) but these were not rationed to consumers because they are semi-durable, so that households can manage for considerable periods with those they already possess together with such purchases as they may be able to make at irregular intervals when they find a supply in the shops.

A close relationship between price fixing and rationing of necessaries in short supply must be noted. So long as prices are unregulated, dealers can meet shortages by raising the price and thereby reducing demand. The effect, however, is to cause privation to the poor who cannot afford to pay the high prices. This is undesirable, particularly for necessaries, and consequently price fixing is usually introduced. This almost inevitably implies that for some commodities the supply is not adequate to meet the demand at the price fixed, or in other words there is shortage. Consequently the short supplies are either sold by "first come, first served" methods with unfair distribution, or retailers adopt voluntary rationing, or, for necessaries, the government must institute compulsory consumer rationing. In Great Britain the prices of the vast majority of consumers' goods are fixed but consumer rationing has been restricted to a relatively small number of necessaries.

It must be noted that in Great Britain the supply to consumers of some of the main necessaries of life is not rationed. Special mention may be made of bread, flour, and potatoes. The prices of these commodities are regulated but the government has ensured that adequate supplies shall be available to meet all demands without rationing. So long as all necessary supplies of such basic necessaries can be bought at reasonable prices there will be no fear or panic among the people that food shortages will lead to starvation, and shortages of other foods can be made up to a considerable extent by increasing the consumption of these staples.

Methods of Rationing

Some of the chief methods of rationing are outlined below. They vary from relatively simple methods to more drastic ones which might be applied if the situation demanded wider departures from normal conditions. They vary also in the degree of freedom they allow to the con-

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sumer. Most of the methods outlined below are applied in the British system of rationing.

Equal quantity rationing of single commodities. The simplest form of rationing is to apply the system separately to each commodity of which there is shortage and to allow each member of the community to obtain the same quantity each week or other period. The weekly quantity is varied periodically as announced by the Department concerned, but in any week is the same for all people. This method is suitable for food commodities which are of standardized quality and of general consumption. Sugar is a good example, but the method has been applied to tea, butter, cooking fats, cheese, eggs, etc., which vary in quality. Under war-time conditions variations in quality of such commodities are usually ignored and the consumer receives without choice what the retailer supplies. To permit of considerable variation of quality would render much more complicated the distribution of supplies by the government. Variation in quality and therefore in price is practicable for some commodities, for example tea. Some related commodities which are partial substitutes may be treated as a unit for the purpose of fixing the quantity. Thus in Great Britain butter, margarine, and cooking fats are treated as a group unit and a total weekly ration, for example 8 ounces per person per week, may be fixed; this may be made up of varying proportions of each commodity according to circumstances (e.g., 2 ounces of butter, 4 ounces of margarine, and 2 ounces of lard a week) provided the total ration is not exceeded, and the proportions may be fixed by the Minister of Food, or some flexibility may be allowed to the consumer.

Equal value ration of single commodities or related groups. This method is applied to commodities which vary considerably in quality and in consumer preference, partly to allow some freedom of choice to the consumer. In Great Britain this method has been applied to meat rationing, as it ensures that cheap cuts of meat are not wasted. The ration which may be purchased is fixed at a certain value, for example one shilling and sixpence per person per week. The consumer is then free to buy a smaller quantity of a more expensive cut of meat or a larger quantity of a cheaper kind, or he may decide to purchase a larger quantity of chilled or frozen imported meat instead of a smaller quantity of home-produced meat. The method of rationing by value can readily be applied to a group of substitute commodities, for example beef and mutton. In Great Britain the ration value of meat is fixed, but the consumer is free to choose either beef or mutton or distribute the value between the two.

Variable quantity (or value) rations of single commodities. In the two methods outlined above the principle of equality was the basis of the system, the amount of the ration per person being fixed in relation to

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total supplies available and to the essential nutritive requirements for maintaining the health and efficiency of the population. But the nutritive requirements of different sections of the community are not the same. Work-people engaged in heavy manual work need more calories than those in sedentary occupations. Young children need different proportions from adults. Invalids may require special dietaries. Consumption habits vary between different classes of work-people. To take account of such variations renders the operation of rationing more complex, but where the difficulties can be overcome fairly readily the system is improved.

In Great Britain for reasons of simplicity of operation, and for psychological reasons, rationing began on the basis of equality, though from the outset the special position of young children and of invalids was recognized; for example, the meat ration for children has always been fixed at one-half that for adults. The system has, however, been gradually developed to make allowance for variable needs and consumption habits. During a seasonal milk shortage in the winter of 1941-2 the milk ration was much higher for young children than for adults. In view of the bread-and-cheese eating habits of miners and agricultural workers and of their heavy manual work, a considerably larger cheese ration than the basic ration has been allowed to these workers. Larger supplies of meat are allowed to factory canteens in the heavy industries than to catering establishments providing meals for the general public. Other special variations from the basic ration are in operation or under consideration.

A basic ration together with additional supplies according to need. In some respects this method is similar to the preceding one. It is, however, particularly suitable for application to certain commodities for which it is appropriate to take individual needs into consideration. In Great Britain its widest application is in the rationing of gasoline. A basic ration is fixed on the principle of equality, though allowance is made for the horse-power of cars, the ration being less for cars of low than of high horse-power. The basic ration covers a period of one month, and represents only a meagre quantity. Persons who desire additional supplies must make application to the Regional Petroleum Officer who will issue additional coupons if he is satisfied that the gasoline is needed for purposes in the national interest, and not for pleasure trips, and that the use of trains, buses, or street cars instead of the private car would be unreasonably inconvenient. Doctors, business people, government officials, and others have been allowed coupons for use in their work entitling them to obtain considerably more gasoline than that represented by the basic rations. During the first year of gasoline rationing these supplementary coupons were granted liberally, but subsequently their issue has

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become more restricted. Also drivers are now required to keep a log book showing their journeys.

Rationing based upon quantities previously consumed. This method has been adopted for the rationing of coal in Great Britain. The household and not the individual is taken as basis. In peace-time the coal consumption of households varies widely according to the size of house, and in war-time, provided supplies are not seriously reduced, it is reasonable to take account of this variation. The basis of rationing is the consumption in each quarter of the year before the outbreak of war. If adequate supplies of coal are available consumers may be allowed to purchase quantities equal to that in the basic year. If, however, shortages occur, the ration may be reduced according to the degree of shortage to 75 per cent, 50 per cent, or some other fraction of the basic ration. In circumstances of serious shortage it might be necessary to abandon the system and adopt a principle of more equal division, such, for example, as would ensure that sufficient fuel would be supplied to enable each household to keep at least one room properly heated.

In British experience of coal supply during the war there has been considerable variation in the quantities available. An anticipated shortage in 1940 was not realized owing to the German occupation of several European countries, and the consequent loss of European markets for British coal resulted in adequate supplies being available at home. During the severe winter weather of 1940-1 local shortages were experienced, while the growing demand of the munition industries caused general reduction in the supplies available for domestic consumers later in 1941.

The "points" system of rationing. This method is useful for application to groups of commodities in which it is desirable and practicable to allow freedom of choice to consumers in purchasing individual items within the group while restricting total consumption of the whole group. In the British rationing system the "points" method is applied to clothing and to a group of canned foods. During the first full year of clothing rationing, which ends on May 31, 1942, each person was allowed 66 coupons for clothing. These coupons could be used in any quantity at any time, except that 20 coupons were reserved for use only after January 1, 1942. For each article of clothing a specified number of coupons must be surrendered by a purchaser to the retailer; for example, a man's suit (jacket, waistcoat, and trousers) requires 26 coupons, a fully lined woollen overcoat requires 18 coupons, a pair of men's shoes 7 coupons, a shirt (not woollen) 5 coupons, etc. Coupons for women's and children's clothing are allocated somewhat similarly, except that because children grow fast their clothes are rated at less coupons than adults' clothes. Expectant

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mothers get a special ration to provide baby clothes, and there is a list of infants' clothes which require few coupons. People who have lost clothing as a result of bombing receive special replacement coupons for essential clothing. Special regulations deal with mail-order business, bazaars and sales of work, second-hand clothing, etc. The same number of coupons must be surrendered for cheap or expensive articles of clothing, and consumers have tended to buy better quality goods which will wear longer.

The "points" method was applied by the Minister of Food to certain canned goods from the beginning of December, 1941. Sixteen points are available for a four-week period for each adult, and the number of points which must be surrendered varies according to the canned goods bought. Thus if a one-pound can of meat or salmon is bought, 16 points must be given up; for one pound of herrings or pilchards, 12 points; for one pound of meat balls or galantine, 8 points; and for one pound of beans in gravy and similar products, 4 points.

Purchasing power rationing. This method is more drastic and comprehensive than those outlined above, and it has not been considered necessary or desirable to apply it in Great Britain. Its purposes are wider than those of ensuring a fair distribution of commodities of which there is shortage, and include price restriction, man-power economy, and compulsory saving. In its most complete form each person would be allowed to spend not more than a specified total amount of money on all commodities, for example $500 a year. With this limit it would not be practicable to leave purchasers free in their choice of goods as they would concentrate upon necessities in short supply, and it would therefore be essential to combine purchasing power rationing with one of the methods described earlier.

An advantage sometimes claimed for this total or "global" purchasing power system of rationing is that it avoids the necessity for price control, so that the free regulation of prices according to supply and demand could be retained. This would, however, depend upon consumers spreading their purchasing power widely, whereas if they concentrated it mainly upon certain necessaries the price increase would result in hardship.

A less complete form of purchasing power rationing would be to apply it to all goods for which special rationing schemes for essential commodities have not been adopted. For example, each person might be allowed to spend up to a maximum of $350 a year on all unrationed commodities. The maximum would be altered according to circumstances, and in particular would be reduced if the range of special rationing

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schemes was extended. The method of limiting purchasing power might be applied to a single group of commodities.[2]

Administration of Rationing

Rationing in Britain is administered by various agencies, some of which have been set up specially, while others consist in part at least of existing governmental organizations. The schemes have involved the appointment of a large number of officials. An account is given below of the administrative arrangements for food rationing in Britain, and brief notes are added on clothing, coal, and gasoline.

Commodities rationed. In the preceding section, mention has been made, for purposes of illustration, of a number of commodities which are rationed in Great Britain. It may be useful to give here a list of the main rationed commodities. Additional commodities are rationed as circumstances require. At the beginning of 1942 the main commodities were:

(1) Food
   - (*a*) Fats (butter, margarine, and cooking fats)
   - (*b*) Bacon and ham
   - (*c*) Sugar, including sugar for preserving
   - (*d*) Meat
   - (*e*) Tea
   - (*f*) Cheese
   - (*g*) Jams, marmalade, etc.
   - (*h*) Eggs
   - (*i*) Canned meats
   - (*j*) Milk
   - (*k*) Onions

   Oranges are subject to special rationing for the particular benefit of children under six years of age.

(2) Clothing and cloth

   The principal articles of adults' and childrens' clothing, and cloth used for making clothing, are covered by the rationing scheme.

(3) Coal and substitute fuels

(4) Gasoline.

Administration of food rationing. It is convenient to begin with the consumer. Each consumer receives a ration book or document consisting mainly of coupons for each rationed commodity and a supplementary book or pages of coupons for use if new commodities are rationed.

[2]For further details of proposals for purchasing power rationing see M. Kalecki, "General Rationing" (*Bulletin of the Institute of Statistics*, Oxford, vol. III, Jan. 11, 1941); also *Economica*, Aug., 1941, article by J. J. Polak.

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At first a ration book covered a period of six months but now they cover one year. The following are the various personal ration documents:

R.B. 1 (General) for general civilian use.

R.B. 2 (Child) for children under six years of age.

R.B. 3 (Traveller) for persons unable to remain at a fixed address and therefore unable to register with particular retailers. A new system is under consideration for travellers.

R.B. 6 (Weekly Seaman) for merchant seamen who buy their own food. The ration for seamen is higher than that for general civilians.

R.B. 7 and R.B. 7A (Emergency Cards) for use instead of R.B. 1 and R.B. 2 to cover short periods when a ration book cannot be made immediately available.

Ration cards are issued to members of the fighting forces on leave. In addition emergency coupons are issued when absence from home makes it necessary to release the customer temporarily from purchasing from the retailer with whom he is registered. Special forms may also be issued to individual invalids.

The first issue of Ration Books 1, 2, and 3 was based upon National Registration lists, while subsequent issues are made on receipt of Reference Leaf Postcards contained in current books.

Ration books are issued by Local Food Offices. There are about 1,500 of these Offices throughout the country, and they play a most important part in the scheme. The Offices are responsible to Local Food Committees consisting of fifteen members elected by the local authority. Five of the members are retailers and the remainder represent the consumers; two of the members must be women. These Offices, by their control of the issue of ration documents, maintain a record of the local population and of movements of population.

Persons holding Ration Books 1 and 2 must register with retailers for all rationed food except tea, which consumers are at present free to buy at any shop. Consumers may register at a different shop for each rationed commodity but for this purpose butter, margarine, and cooking fats are regarded as a single commodity. Once a customer has registered with a retailer for a rationed commodity he can purchase it only from that retailer unless removal necessitates a fresh registration, but consumers may change their retailer at the time of issue of new ration books (now once a year). Some consumers prefer to register with a separate retailer for each rationed commodity in the hope of having a better chance of purchasing unrationed commodities, as some retailers reserve any supplies for sale only to their registered customers.

The main advantage of registration is that each retailer knows what

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quantities he will require each week to supply his customers, and these quantities are sent to him by the wholesalers, and the system therefore ensures that each customer will receive his ration, which is the object of rationing; if consumers were free to buy from any retailer some shops might experience a shortage and the consumer might have to try several shops before securing his ration.

Retailers keep a record of customers registered with them for each commodity, and communicate this information to the Local Food Offices. These data are filed according to commodity and retailer, and from these records the number of the purchasing population of the district as distinct from the resident population can be established.

The coupons contained in Ration Books 1 and 2 entitle the consumer to his ration of a commodity for the week or other period, and when the purchase is made the relevant coupon is cancelled.[3] Where travellers, seamen, and others are entitled to purchase from different retailers without registration the relevant coupon is cut out by the retailer.

In order to obtain supplies of rationed commodities, retailers must be licensed by the Local Food Office. Buying permits are then issued to each retailer on the basis of the number of his registered customers. Each retailer is "tied" to a licensed wholesale dealer to whom he sends the permits, which then entitle the retailer to receive the specified supplies. Supplementary buying permits are issued to cover stock used in supplying unregistered customers; the supplies authorized in these permits are calculated according to the number of coupons collected by the retailer in respect of rationed goods supplied to unregistered customers.

Residential establishments, for example boarding houses, obtain rationed food from retailers with whom they register, and they use the ration books of residents. They do not buy from wholesalers. Catering establishments which serve meals to non-residents, for example restaurants, are mainly rationed on the basis of an allowance for each meal served. They are entitled to purchase rationed food only on authorization issued by the Local Food Office, and make out their orders to retailers on official order forms, and these forms enable the retailer or other dealer to account for his sales to such establishments. The catering establishments must make returns to the Local Food Office showing the number of meals served, and the amounts of rationed food they may purchase are increased or reduced from time to time in relation to these returns. In recent months a distinction has been drawn

[3]In the early period of rationing the coupons were cut out by the retailer and retained, but this was found inconvenient.

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between different classes of catering establishments, particularly between those serving industrial work-people (e.g., factory canteens) and those serving the general public or sedentary workers, and larger amounts of some rationed foods are supplied to the first category. It must be noted that consumers who take meals in catering establishments obtain this food in addition to their rations, i.e. they can still buy the full amount of their rations after having had one or more meals a day at a works canteen, restaurant, or other catering establishment. Institutions, including hospitals, prisons, and orphanages purchase rationed foods from retailers in the same way as catering establishments. The residents do not, however, receive ration books, but the ration issued in respect of each is the same as that to domestic civilian consumers. The institutions keep a register showing their consumption.

So far attention has been directed to the Local Food Offices and Committees and their relations with individual consumers, establishments and institutions, and retailers. The work of these Offices and Committees is supervised by Divisional Food Officers. For this purpose the country is divided into eighteen Divisions;[4] they guide and co-ordinate the work of the Local Food Committees; they keep records of the purchasing population of each locality and make estimates of the resident population; they report to the Ministry of Food questions of principle which arise and any difficulties concerning food supplies in their Divisions; and they take part in the investigation of evasions of food orders.

On the supply side the Ministry of Food early requisitioned stocks of food, and undertook the regulation both of imported and home-produced supplies.[5] Long-term bulk contracts for purchase of supplies abroad were undertaken by the government or by private traders or trade associations acting as agents of the government. The quantities that can be imported depend upon the distribution of shipping space between importation of food and other war uses of shipping (including transportation of munitions, troops, and raw materials), and the Ministry must, therefore, maintain close relations with the Ministry of War Transportation. The Ministry is the sole importer of wheat, sugar, meat, bacon, butter, and tea, and the sole purchaser of home-produced meat, sugar, and creamery butter. Meat is owned by the Ministry until it reaches

[4]There are in addition four chief Divisional Food Officers in England and Wales and one in Scotland to deal with major supply problems and to maintain contact with the Military Commands.

[5]Holders of stocks received permits authorizing them to continue deliveries in accordance with existing contracts, and to continue to sell normal quantities to their usual customers, until a full system of control was in operation.

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the retailer, but other commodities are sold by the Ministry to wholesalers. In handling food supplies existing wholesalers act as agents for the government, and must conform with Maximum Price Orders issued by the Ministry. The remuneration of wholesalers is determined on the basis of a fixed commission on turnover. Where no suitable organization existed to act as agents for the government, organizations were formed for the purpose; for example, trade associations were formed to deal with imports of meat and bacon. Home-produced goods are brought under government control at the source. Food processing plants are also controlled by the Ministry, and costs of transport of food are equalized so as to enable retail prices to be uniform throughout the country. Home production is heavily subsidized by the Ministry.

Within the Ministry a Director of Supplies is appointed for each commodity or group of commodities and has the assistance of an expert committee in working out schemes for the organization of supplies. Thus there is a Director of Sugar Supplies at the Ministry of Food. Through him sugar supplies were requisitioned on the outbreak of war, and he subsequently made bulk purchases of sugar on government account. Sugar refineries produce refined sugar at a fixed rate of remuneration under agreement with him, and the refineries and sugar beet factories sell refined sugar to wholesale distributors at controlled prices. Again, in the control of meat there is a Director of Supplies. Livestock are controlled after they leave the farm by livestock auctioneers who are agents of the Ministry. They supervise the collection of livestock for slaughter and pass them to authorized slaughter houses. Meat is then distributed through wholesale meat supply associations which distribute both home and imported meat. Meat importers are organized and imported supplies are pooled. Special arrangements are made in the London area to decentralize supplies in order to diminish risk of loss from air raids. Similar methods are adopted for other rationed commodities. Also for many foods not rationed to consumers the supply side and prices are controlled. Thus there is a Director of Cereals Supplies and a Director of Flour Mills Control.

Before the war "shadow" organizations for administration and control were set up so as to be ready to begin control at short notice. These included organizations at the ports to handle imports and organize the distribution of supplies, where necessary, to processing firms (e.g., for the manufacture of margarine and other edible fats from oil seeds, nuts, vegetable and marine oils).

It is evident from the foregoing that an elaborate organization must have been set up for the operation of British food rationing. Actually the number of officials is about 30,000, or one for every 1,500 of the

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population. This includes a staff of about 2,000 inspectors, who deal with offences under Food Control Orders, but the majority are officials who have other duties and only give part of their time to food control. Severe penalties may be imposed for infringements of Food Control Orders. Local Offices are responsible for enforcement of Food Control Orders and for inspection of records of dealings in, and prices charged for, controlled commodities.

The Ministry of Food in addition to operating the general rationing system has prepared Emergency Food Distribution plans to deal with situations in which there may be a temporary breakdown of transportation. In each Region large stocks have been accumulated and are held in reserve to meet such circumstances. The Ministry is also responsible for providing foodstuffs for the fighting forces.

Clothing. As already indicated the "points" system has been adopted for the rationing of clothing. The scheme is administered by the Board of Trade. Cards of coupons representing "points" are issued to consumers by the Post Offices. Purchasers are free to buy from any retailer and may distribute the "points" between different commodities and qualities. Retail clothing firms can only replenish their stocks by surrendering to wholesale dealers the coupons detached from purchasers' cards. If a retailer finds that his stocks of rationed articles of clothing are not properly balanced, he can apply to the Board of Trade for a licence to transfer stocks to another retailer.

Coal. Rationing of coal is administered by the Department of Mines. In each locality a Local Fuel Overseer is appointed, and he is responsible to a Local Fuel Committee. Consumers register with a dealer, and may obtain supplies only from that dealer. The ration is based upon the quantities of coal or alternative fuel consumed during each quarter of the year before the war.

Gasoline. The Ministry of Supply administers the rationing of gasoline for users of private cars. Books of coupons are issued by the Post Offices to consumers on production of the motor car Registration Books showing that car taxation has been paid for the current period. The coupons cover three months, but are divided into monthly allotments, and these must be used within the month specified. The total ration is based upon the horse power of the car. As in other rationing schemes coupons are not transferable; they are limited to the purchase of gasoline for use in the cars in respect of which they were issued. Consumers may buy gasoline from any supplier, but the gasoline supplied is of one quality only, the whole of the gasoline for civilian use being pooled. Divisional Petroleum Officers have been appointed

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to divisions covering the whole country, and they control the distribution of supplies to dealers. They regulate the general operation of the system, and decide upon applications made by consumers for the issue of supplementary supplies of gasoline. In addition to the rationing of users of private cars a separate system of control, operated by Traffic Commissioners, has been applied to bus companies and users of commercial vehicles.

Conclusions

British experience both during the last war and in the present conflict shows that a period of six to nine months elapses from the time when the government decides that a scheme for the rationing of commodities must be prepared until it is ready for operation. During the last war difficulties were experienced because the planning of rationing was begun too late. Also the introduction of a scheme before effective controls have been prepared involves the risk of seriously aggravating shortages and of unequal distribution if customers rush to buy and hoard additional supplies.

When any group of commodities is rationed, many interests must be considered. For example, in preparing British food control schemes the Department concerned worked in close contact not only with food producers, wholesalers, retailers, and consumers but with various government departments, including the Ministries of Agriculture, Transport, and Health, the Treasury, the Air Raid Precautions Department of the Home Office, and the Medical Research Council, and with the Committee of Imperial Defence. For each commodity the Department secured the co-operation of leading traders dealing in the commodity concerned, and a Director of Supplies was appointed for each rationed commodity or group of commodities. As a result, however, of experience of divided responsibility during the last war the method of controlling all commodities by a single authority, for whom the several Directors act, has been adopted.

Statistics of production, imports, exports, and stocks, including estimates of probable future supplies are necessary as a basis for rationing. Average peace-time consumption per head must be calculated, and this should be supplemented by any data available showing dispersal of consumption round the average.[6] Such data are of value in fixing

[6]See R. S. G. and M. E. E. Rutherford, "The Consumption and Rationing of Meat and Cheese" (*Oxford Economic Papers*, no. 5, June, 1941). Reference to such data for Canada is made by D. C. MacGregor in his account of "Studies of the Cost of Living in Canada" (*Canadian Journal of Economics and Political Science*, vol. VII, Nov., 1941).

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the amount of ration. Thus if the ration is fixed at 80 per cent of average peace-time consumption, and if there are many people whose consumption in peace-time is below the 80 per cent, then the ration is effective only for those with a greater consumption; also if the total supplies available are sufficient to allow of an actual consumption of 80 per cent of the peace-time average and some buy less than their rations, a bigger ration could be fixed. Where, however, the ration fixed is necessary for the proper nutrition of the people, the fact of its under-consumption by a section of the population suggests that measures should be taken to ensure an increase of consumption by this section.

Rationing plans must be flexible so as to permit of adaptation to changing circumstances. The amount of ration of any commodity must be increased or reduced as the supply outlook becomes more or less favourable; also it is desirable that the system adopted, which may begin with only a few commodities, can be readily extended to others when the need arises.

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